Billing Code: 5001-06

DEPARTMENT OF DEFENSE

Office of the Secretary

(Transmittal No. 16-29)

36(b)(1) Arms Sales Notification

AGENCY: Department of Defense, Defense Security Cooperation Agency.

ACTION: Notice.

SUMMARY: The Department of Defense is publishing the unclassified text of a section 36(b)(1) arms sales notification. This is published to fulfill the requirements of section 155 of Public Law 104-164 dated July 21, 1996.

FOR FURTHER INFORMATION CONTACT: Chang Sug, DSCA/STR/LMO, (703) 697-8985.

The following is a copy of a letter to the Speaker of the House of Representatives,

Transmittal 16-29 with attached Policy Justification and Sensitivity of Technology.

Dated: September 15, 2016.

Aaron Siegel, Alternate OSD Federal Register Liaison Officer, Department of Defense.



DEFENSE SECURITY COOPERATION AGENCY 201 12TH STREET SOUTH, STE 203 ARLINGTON, VA 22202-5408

The Honorable Paul D. Ryan Speaker of the House U.S. House of Representatives Washington, DC 20515

AUG 1 9 2016

Dear Mr. Speaker:

Pursuant to the reporting requirements of Section 36(b)(1) of the Arms Export Control

Act, as amended, we are forwarding herewith Transmittal No. 16-29, concerning the Department
of the Navy's proposed Letter(s) of Offer and Acceptance to the Government of Qatar for
defense articles and services estimated to cost \$124.02 million. After this letter is delivered to
your office, we plan to issue a news release to notify the public of this proposed sale.

Sincerely,

Vice Admiral, USN

Director

Enclosures:

- 1. Transmittal
- Policy Justification
- 3. Sensitivity of Technology
- 4. Regional Balance (Classified Document Provided Under Separate Cover)



Transmittal No. 16-29

Notice of Proposed Issuance of Letter of Offer Pursuant to Section 36(b)(1) of the Arms Export Control Act, as amended

- (i) Prospective Purchaser: Government of Qatar
- (ii) Total Estimated Value:

Major Defense Equipment* \$ 0.02 million
Other \$ 124.00 million
TOTAL \$ 124.02 million

(iii) <u>Description and Quantity or Quantities of Articles or Services under</u> Consideration for Purchase:

Major Defense Equipment (MDE):

Eight (8) M2HB .50 Caliber Machine Guns

Non-MDE:

Also included are Mk-V Fast Patrol Boats, Forward Looking Infrared (FLIR) Systems, MLG 27mm Gun Systems, 27mm ammunition, 27mm target practice ammunition, .50 Caliber ammunition, support equipment, publications, technical documentation, personnel training, U.S. Government and contractor engineering, in-country support, technical and logistics support services.

- (iv) Military Department: Navy
- (v) Prior Related Cases, if any: None
- (vi) <u>Sales Commission, Fee, etc., Paid, Offered, or Agreed to be Paid</u>: None
- (vii) Sensitivity of Technology Contained in the Defense Article or Defense Services Proposed to be Sold: See Attached annex.
- (viii) Date Report Delivered to Congress: 19 AUG 2016

^{*}as defined in Section 47(6) of the Arms Export Control Act.

POLICY JUSTIFICATION

Qatar - Mk-V Fast Patrol Boat

The Government of Qatar has requested:

Major Defense Equipment (MDE):

Eight (8) M2HB .50 Caliber Machine Guns

Non-MDE:

Also included are Mk-V Fast Patrol Boats, Forward Looking Infrared (FLIR) Systems, MLG 27mm Gun Systems, 27mm ammunition, 27mm target practice ammunition, .50 Caliber ammunition, support equipment, publications, technical documentation, personnel training, U.S. Government and contractor engineering, in-country support, technical and logistics support services.

The total estimated value of MDE is \$0.02 million. The total estimated value is \$124.02 million.

This proposed sale will contribute to the foreign policy and national security of the United States by helping to improve the security of a friendly country. Qatar is an important force for political stability and economic progress in the Persian Gulf region. This proposed sale will provide Qatar with military capabilities to protect its critical sea-based infrastructure and maritime security. Qatar will have no difficulty absorbing this equipment into its armed forces.

The proposed sale of this equipment, services, and support will not alter the basic military balance in the region.

The principal contractor will be United States Marine Incorporated (USMI) in Gulfport, Mississippi. There are no known offset agreements proposed in connection with this potential sale.

Implementation of this proposed sale will require multiple trips by U.S. Government and contractor representatives to participate in program and technical reviews, system integration, as well as training and maintenance support in country for a period of five (5) years.

There will be no adverse impact on U.S. defense readiness as a result of this proposed sale.

Transmittal No. 16-29

Notice of Proposed Issuance of Letter of Offer Pursuant to Section 36(b)(1) of the Arms Export Control Act, as amended

Annex Item No. vii

(vii) Sensitivity of Technology:

- 1. The Mk-V fast patrol boat is approximately twenty-eight meters (28) long with an approximate beam of six (6) meters powered by MTU diesel engines with a waterjet drive. It has a top speed of forty-five (45) knots. The MK-V is outfitted with a stern launch-able inflatable boat. The MK-V is outfitted with unclassified commercial off-the-shelf navigation to include magnetic compass, fluxgate compass, gyro compass, Global Positioning System (GPS), electronic chart plotter, anemometer, navigation radar, navigation lights, navigation horn siren, and other electrical and non-electronic navigation aids. The MK-V utilizes commercial communications to include high frequency (HF), and very high frequency (VHF) communication radio systems, intercom system, boat horn and blue strobe Jaw enforcement lights. The overall classification level of the vessel is UNCL ASSIFIED.
- 2. A determination has been made that the Government of Qatar can provide substantially the same degree of protection for the sensitive technology being released as the U.S. Government. This sale is necessary in furtherance of U.S. foreign policy and national security objectives outlined in the Policy Justification.
- 3. All defense articles and services listed in this transmittal have been authorized for release and export to the Government of Qatar.

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